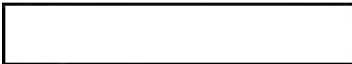


INMAN, ADM.  
Interview with the Press (Headquarters)  
10 March 1981  
E.O. 12036

NOT IN DCI CLIPS



STAT

Gentlemen:

...respect of the government's intelligence agencies spying on its citizens. That's a very catchy headline or news (brief?). (Two words) automatically raises (three words) party politics. Since that is a fairly distorted account of what's actually going on (re E.O. 12036) and since I have a particular phobia about unnamed or unquoted sources, people who had to go complain and try to whip up some (four words) but unwilling to be quoted, that I thought it was worth dealing very bluntly and directly with you on this issue on the record.

Let me not raise any expectations that this will be a frequent occurrence. Both Mr. Casey and I have a very strong view that we need to lower the profile of the leadership of the Intelligence Community, at least our portion of it, and that we simply will not be talking on the record, at least I do not foresee a circumstance in these early times, about anything in the way of substantive intelligence matters. But on issues of organization, legislation, which get fundamentally to how much trust does the public have in its intelligence organizations -- that's an occasion when you have to stand up and be willing to be quoted on the record.

Now let me put some events in sequence for you that are ongoing. The new administration has heard a great deal in the years (two words) about the state of U.S. intelligence and, particularly, questions about our current capabilities with regard to dealing with terrorism and the whole area of counterintelligence. And most of that knowledge has been gotten from you gentlemen in the press and what we've read in various stories, either pro or con over the years, and therefore should be no

surprise to you, in fact you should be encouraged, that as one of the earliest acts, once they took office, they wanted to know what was the current status of our capabilities on the question of terrorism. And out of the discussions on it came the question: what restrictions now exist on your operations -- by law, by Executive Order, by policy or by practice -- which you believe impact on the ability to be as effective as you could be or relatively on questions of dealing with terrorism, or not directly addressed but clearly related to the question of counter-intelligence. We were all asked to do an assessment of the impact of current restrictions. And that begins a process that always goes for several months. At first you ask the operator, what limits you; and he does a catalog. And then you ask what changes would move that limit, as examined by them. And then you look at what would you get. What do you believe you would develop in the (role?) of information directly relevant to terrorism, to counterintelligence (one word), if you did not have these restrictions, or if you achieved those changes. And then ultimately, political judgements have to be made on what is the acceptability to the activity that would be involved, and are there other ways to collect it. There is a legitimate concern about whether existing restrictions -- by law, by Executive Order or by practice -- inhibit the effectiveness of the intelligence agencies, particularly in dealing with the problems of terrorism and counterintelligence. There's a parallel problem. A cottage industry has grown up in this town. The various agencies and locales are people whose full time jobs depend on the amount of time they spend searching for infractions of existing regulations, providing interpretation of policy or of existing regulations,

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shaping and forming other ones. And any time you address change, you will all be well acquainted that you automatically start in the bureaucracy (amid) great fears that the changes are going to lead to less jobs and/or less influence in the process. I do not know that this first (quarter?) of stories is directly motivated by worries out of the cottage industry, that they are going to find some curtailment either in jobs or in influence. But what I do know is that a first assessment of impacts of restrictions was prepared, has been circulated in the Executive Branch for comment. (This is?) a rather substantial body of comments which vary fairly widely in their reaction. That will lead to the normal process of another whole iteration of that process. You eventually hope to get something in two or three months that you will then take up to a decision-making process to then let the political levels of the government make some decisions over change versus risk versus gain that you expect to get in the process.

Why does Inman react so sharply because of a lead story in two newspapers in front of me which says in the first paragraph: "The Reagan Administration's newly appointed intelligence officials are asking for renewed authority to gather information on Americans in this country and abroad, using such techniques as searches, physical surveillance and the infiltration of domestic organizations." The only newly appointed intelligence officials in the Reagan administration are Bill Casey and Bob Inman, and neither of us have asked for any of those things which are there. And I think it is sort of a bum rap

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for us in our building confidence in the Congress and in the public if that is the first image that they get -- that our first concerns are not as we both have testified -- for trying to improve the professionalism, the quality of intelligence available -- and instead focus on the question of (pause) responding to questions, not from our origin, but responding to legitimate questions from a new administration about whether the existing procedures do inhibit.

Do you want to stop at that point and let me (five words)?

(Slight interruption to recognize late comer).

Inman: I will be happy to try to respond to any questions you have on this specific topic. I am not prepared to go off and address other topics, and would ask that we not do that on (this occasion?)

Question: Admiral Inman, so far you have told us what you don't like about the NEW YORK TIMES lead -- these newly appointed -- cause that I think that is the most significant part of the lead.

Inman: (Interrupting) (What I am asking for?), that has asked for renewed authority to gather information on Americans in this country, but (interrupted).

Question: Is that (a premature?) or does -- Central Intelligence Agency -- certainly newly appointed in renewed (interrupted)

Inman: (Words indistinct) we have requested a body and that just simply is not so (interrupted).

Question: Let me start all over again. Okay? I am interested in correcting any gross distortions, but I think I am more interested in what the CIA would like to do. And we all know that, because of various rulings and because of a liberal persuasion in the White House, you were stopped from doing the kinds of things you institutionally like to do...(interrupted).

Inman: I have great difficulty with your formulation in that you are espousing what you believe CIA likes to do.  
(interrupted)

Question: I covered Supreme Court for seven years, the Supreme Court gave you a bad time on certain practices and some of them were stopped. Now the question in my mind is, is this the beginning -- a number of them were stopped. The question now in my mind is whether this is the beginning of a process that will lead to a request to the White House to renew some of those practices, which I think is captured very well in the lead paragraph.

Inman: I think we are likely to see some revision of the Executive Order and the restrictions which now exist, and I believe that is likely to come about because of a changed world, because four years ago, and I was involved in the process of the drafting the restrictions which are there, terrorism was not a topic of great concern to us. How one deals with those changes and who one tasks to respond to them is an entirely separate question.

Question: I would like to ask some particulars about the proposals, even though they are in preliminary form and may be winnowed down; as to whether the proposals kicked around to redefine special activities so that they are not confined to operations abroad. This is my understanding. (Interrupted)

Inman: It is a good question and to the best of my knowledge there is no intent to proceed any way down that road. Covert operations capabilities of this country were drawn down for a variety of reasons over a decade ago. The process of assessing the status of those and regrouping the capabilities began sometime back -- not a change in this administration, it was a dealing with problems of (one word) law. I have now been exposed to two months of close working relationship with the new senior leadership and there hasn't even been the slightest hint of any interest, from anyone there, of using a cover action capability in the domestic type of situation.

Question: Well, in dealing with terrorism, it's an authority that you might on paper want to have just as a contingency.

Inman: George, I want to know, very clearly, that that would be a problem the FBI would be incapable of dealing with. And I believe from what I have heard in the discussions thus far, with a great deal of confidence, that one may well look to see what does the FBI need to have or do, to deal domestically with terrorism. But I do not see any prospect that we are likely to...(interrupted)

Question: So there is nothing on paper that redefines special activities in the sense of these proposals (three words) whatever you would like to call them. There's nothing on paper redefining special activities?

Inman: George, you may well have people in various places in the government, in the Intelligence Community, who would have ideas of things they could do to make contributions and approaches they would like to see followed to let them use their capabilities to the maximum. There may be all kinds of ideas that will be promoted or floated in that process, but to answer your question directly, do I see any prospect that that is likely to end up in a final form of law, regulation or practice, the answer is no.

Question: Admiral, because I am not entirely clear myself does this mean that there is no written proposal at the present time for the Agency to conduct searches domestically or surreptitious entries?

Inman: There is not a proposal to do it. What you have is a response to a specific question, and that was the framework in which the entire question came. It gets very important for what you convey to the public at large. The question asked to the intelligence agencies is, "are there now restrictions, either in law, or in executive order, or in practice which you believe inhibit the contributions you could make on the question of terrorism." The answer is, "certainly, there are." Does that mean you are going to remove all of those, not without a lot more consideration,



dialogue and judgement. I don't have a clue at this point what it's going to look like. And I don't think the public interest is served by the presumption that there are decisions or changes that go, so the whole point of the dialogue is to make sure you get in the framework about three months from now when this process finishes, then come back to the matter and give it the (field?) test it needs.

Question: Admiral Inman, you say that (George and the rest of you?) don't see the possibility of the Agency, of things being changed so that Agency gets into searches or surreptitious entries.

Inman: Domestically?

Question: Yes.

Inman: I do not see that as a likely outcome. (several voices)

Question: The other answer is also true, is it not that on paper somewhere at this very preliminary stage...(interrupted)

Inman: There probably are ideas, but when you put it in the framework of the question and the question is, are there now existing restrictions which inhibit your ability to provide intelligence on terrorism and the rest of it, every administration goes through this, George, and then you get out ultimately to say if you can give up a little intelligence, which you would like to have, what is the cost on the other hand that you balance against it and we're certainly months from a (four words) being to the point of addressing those questions. They will, no

doubt, ultimately address them all.

Question: There used to be<sup>a</sup> clear division between domestic and overseas. Right? And there were rules for each operation. Terrorism, as you said (several voices) don't you really have a qualified answer to George? What I am saying here is CIA used to take the position that a foreign operation (could not?) operate domestically comes within its purview sometimes. Terrorism, if its domestic terrorism, that has a foreign link. What is your answer to George then?

Inman: Ultimately we are going to have to deal with the problem of terrorism, and I think about (machine noise) will lead at best measures if they understand those measures are directly related to that and not to the President's stand in public. We are not to the point of yet facing (ten words.) Judge Webster has publicly made his views known on authorities (three words). I have made mine known from my previous position as Director of NSA (two words) testimony is in the public forum. Director Casey was asked questions in the public forum and he also (four words) on that. I would ask from all of you a little breathing space for that leadership, and I would also say we may need to dust our own procedures up. But I consider questions that go to, can you trust your intelligence agencies to not be involved in abuses (seven words) sufficient wrong that it ought to be able<sup>to</sup> get a very direct response. When queries first started last night I was a little slow in picking up and reacting to the thrust of trying to

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present some ideas in response to a question as it (two words). That's what I am now trying to make sure you all understand (several words). That at least there is not now a proposal owed to the President to decide (if?) saying please revise Executive Order 12036 in the following fashion.

Question: But there are suggestions on paper that have been circulated within the government for comment?

Inman: On responding to the question, are there restrictions to it and how would you rephrase that, I would expect that re-iteration to go forward at least two more times.

Question: Admiral, very respectfully, you don't expect it to stop at that stage do you, you have said that the White House has asked the agencies to answer question.

Inman: There have been questions that have not been asked yet that are covered in the Executive Order. They deal with organization, they deal with resource allocations, they deal with a lot of other things. I think we clearly will have a revised Executive Order. I think that will be done in a very orderly manner. I expect it to occur sometime in the late spring or summer. I expect it to be a document that will stand every bit as much public scrutiny as the last one did. I was standing on the sidelines when that one was introduced. I would not want to prejudge what the nature of changes will be that will show up. I expect there will be some changes because of the change in the world in which we are dealing.

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Question: Without prejudging the final product, Judge Webster, [ ]  
[ ] and [ ] have said they neither need nor want  
expanded authority to counter terrorism or counterintelligence  
with the exception of passing of information as in the  
instance of the [ ] case where they got a report  
naming a U.S. person and they didn't know who it was. That  
is what they said is their own authorities.

Inman: And they have not elected, and I think wisely, to get  
entangled in the question of policy, of implementation.  
And I think, I have a sense that perhaps some of the rest  
of the organizations got a little too eager to, or too  
concerned about, past practice of policy, in exercising,  
without giving the new administration time to see how  
they go about implementing it.

Question: What I am saying is, they say they don't need or want  
expanded authority; can you say the CIA neither needs nor  
wants expanded authority.

Inman: No, I cannot. Because I haven't finished examining the  
question. I would tell you in about three months I will  
be able to answer that question but at this point I am  
not prepared to.

Question: Who wrote down the suggestions that are being circulated?  
Who was the author of those suggestions that are being  
circulated? Whose idea was that as a possibility?

Inman: I have already responded earlier that there was a request to respond to what restrictions now exist involved in the Executive Order in policy which inhibit your ability to deal with terrorism or counterintelligence.

Question: But these papers apparently don't cover all of those restrictions; there is nothing in the paper suggesting that the foreign intelligence surveillance act be repealed. So that there has already been some selectivity in terms of what one's to list in the paper.

Inman: The Foreign Intelligence Surveillance Act has no bearing on the question of terrorism or counterintelligence. The law gives full provision on how to deal with these questions.

Question: Admiral, a number of years ago there was an attempt made on Golda Meir in New York. Terrorism was, in the Nixon years, quite a big item of concern.

Inman: We do have a worry, and a job of educating the public...of all kinds of considerations that may have to take place in developing information on terrorist threats.

Question: You mean (four words) in a greater volume we just don't know about yet?

Inman: Terrorism has become an international institution. We have been privileged that we have not been a prime center of it. And that's the topic where the whole dialogue, and perhaps we do need to draw together. I would hope all you can draw. I've always been reluctant to have intelligence agencies as the source of all knowledge about that. There is a lot in the world's press coverage on terrorist activities,

and that really drives the concern of the administration.

If you will not be (20 words)

Question: (Several voices) to the question I did ask, and that is, that some -- take Frank Donner's book -- have suggested that terrorism is the new (one word), the new Shibboleth, like communism was 20 years ago, a lot of excesses were conducted 20 years ago or so and maybe greater than that, but in any case in the name of suppressing communism.

Inman: George, I have honestly to say in reaction that I am still too close to the terrorist attack on the Embassy in Tehran and of all the activities that go (two words) to take a very simple, objective view that it really doesn't (several words). Therefore, I think (three words) we had a number of embassies that have been subject to attack. What's not clear to me is how much of that is going to transfer off (several words). And ultimately that's what one will get down to addressing in deciding what of a whole series of changes proposed that will facilitate (three words).

Question: (Several voices) back to my question, could you just use the phrase changes that have been proposed?

Inman: (Several voices) questions which have been circulated.

Question: It's very clear from your opening remarks that you and Mr. Casey, Director Casey, have not formally proposed or requested from the White House any actual changes. I accept that. But the White House asked you to identify language that may inhibit your ability to perform some

of these functions, and a paper identifying these inhibiting things has been circulated. And then you speak of these proposals, and you say two or three months to go. Now what I'm asking is, if we do in good spirit and good faith give you the benefit of the doubt (about what's being proposed?), you're not suggesting that in two or three months the present leadership, the new leadership (three words) is not going to suggest any changes in 12036 or your own internal guidelines, are you?

Inman: There will be some changes, I am almost certain, on the basis of experience. A practice with the ones that are there. But I am not prepared to say at all what I think the likely scope of changes will be. I want to see them when they're finally all argued out amongst the lawyers. Amongst the operators. Amongst those who analyze the results which count. So that you have a very clear understanding of what the gain is you will get by changing the (one word). And I think that's a fairly reasonable (several voices).

Question: Is each agency, I get the impression that each agency (three words) submitting responses to the questions the Administration has? Are you doing this independently or is there some working group or committee (three words)?

Inman: There are some copies around. You can say its a working group drawn together as the community tends to do. What you do is go out for comments (four words) Intelligence Community because there are others (several words). The

working group has been at work and will continue; it has more sessions coming up in the near term. There are clearly differing views within that of what one ought to do or needs to do. But I have been encountering whenever I go to the Congress among the staff some substantial alarm that all the restrictions are going to be thrown out (five words). And as best I can trace those alarms, they are being fed by those who are worried about making an impact on their current status or jobs.

Question: (Several voices) Just people jealous to keep their jobs? Aren't there some people who worry about the Constitution? Rights of privacy?

Inman: Nobody has a monopoly of worry about Constitutional rights.

Question: No, but that group you talk about seems to be those (interrupted)

Inman: If it's some other concern, why aren't they willing to be identified by name?

Question: Frankly, Admiral, you're saying that it's in the bureaucracy, these people, who are worried about their loss of authority in this (one word). And the way these rules are drafted, the only authorities in these things are in the Department of Justice. That's where the real supervisory authority is. Is that what you're saying?

Inman: Supervisory authority belongs to each head of an intelligence agency. There are specific authorities that they carry out and they all make decisions with great frequency (three



words). If they have any doubt about that, they go back to Justice.

Question: But there are some things they're forced to take to Justice, certain types of techniques.

Inman: They're all kinds of procedures. You can't generalize a response to a question. It depends on the nature of it. There is one pattern of operation that one does in response to a need for a warrant under the Foreign Intelligence Surveillance Act. There would be an entirely different kind of approach that one would (two words) the 1980 Act that impacts on covert operations. There would be a lot of other kinds that you will seek interpretation and advice if you're in the ground in between.

Date \_\_\_\_\_

**ROUTING AND TRANSMITTAL SLIP**

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**REMARKS**

Here is *Adnan's*  
transcript - Look at  
then lets decide  
what to do - *file it*  
*14*

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